

ASX RELEASE

16 December 2022

\$1.65 Million Placement to Advance Canadian Lithium Portfolio

Highlights

- Firm commitments received for a placement to raise \$1.65 million.
- Proceeds to be used to explore the Company's lithium portfolio, including its high-quality lithium-pegmatite projects in Canada.

Koba Resources Limited (ASX:KOB; "Koba" or the "Company") is pleased to advise that it has received firm commitments for a placement to raise \$1.65 million ("**Placement**"). The Placement was strongly supported by a range of sophisticated and professional investors, including some of Koba's largest shareholders.

Proceeds from the Placement will be used to advance the Company's portfolio of high-quality lithium-pegmatite projects in Canada, including the new JB1 and Davidson Lithium Projects announced yesterday and the existing Whitlock Lithium Project together with the Python Lithium Project in the Pilbara.

Euroz Hartleys Limited and Peloton Capital Pty Ltd acted as Joint Lead Managers to the Placement.

Koba Managing Director and CEO, Mr Ben Vallerine, said:

"I would like to thank both new and existing shareholders for their strong support of this \$1.65M Placement which is a strong endorsement of the Company and its portfolio. The funds raised will be used to progress our recently acquired, high-quality portfolio of lithium projects within two world class lithium districts in Canada."

Placement Details

The Placement will result in the issue of approximately 11 million new fully-paid shares at \$0.15 per share ("**Placement Shares**"), representing a 6.25% discount to last close. Investors in the Placement will be issued one unlisted attaching option ("**Placement Option**") for every four Placement Shares issued. The Placement Options will have an exercise price of \$0.30 per option and an expiry date of 27 December 2024 ("**Placement Options**").

The Placement Shares and the Placement Options will be issued under Koba's existing ASX Listing Rule 7.1 (4.5M Placement Shares and 2.75M Placement Options and) and 7.1A (6.5M Placement Shares) capacity.

Settlement of the Placement Shares is expected to occur on Friday, 23 December 2022 with the allotment and issue of the Placement Shares expected on Wednesday, 28 December 2022.

The Placement Shares will rank equally with existing ordinary shares from the date of issue.

Euroz Hartleys and Peloton Capital acting as joint lead managers for the Placement will be paid a 6% capital raising fee on the funds raised plus 1.5 million options with a \$0.30 exercise price and an expiry date of 27 December 2024 (“**Broker Options**”). The Broker Options will be issued under Koba’s existing Listing Rule 7.1 capacity.

Use of Funds

The net proceeds from the placement will be used to fund the following:

1. Completion of the Whitlock, JB1, Davidson and Python lithium project acquisitions.
2. Exploration programs at each of the Whitlock, SB1, Davidson and Python lithium projects, including:
 - a. Geological review and data compilation;
 - b. Review of available aerial and geophysics imagery so field programs can target high-priority areas; and
 - c. Detailed field mapping and systematic geochemical sampling, including the investigation of known pegmatites and exploration for additional pegmatites to generate drill targets.
3. Working capital

This announcement has been authorised for release by the Board.

For more information, please contact:

Ben Vallerine
Managing Director & CEO
Phone +61 8 9226 1356
info@kobaresources.com.au

Gareth Quinn
Investor Relations
Mobile + 61 417 711 108
gareth@republicpr.com.au